



## Visa Account Updater Services

### Service Benefits for Issuers and Cardholders

This service benefits issuers by:

- Increasing customer satisfaction, retention, and loyalty by providing updated account information to participating merchants.
- Maintaining continuity in payment relationships between cardholders and participating merchants.
- Reducing the need for direct cardholder intervention due to new expiration dates or reissued card details made available to participating merchants.
- Reducing declined transaction for participating merchants due to readily available new card info for participating merchants.
- Maintaining top-of-wallet status.

Cardholder benefits include the following:

- Seamless card information update process for participating merchants once new or reissued cards are received – reducing the likelihood of a service interruptions for subscriptions or recurring payments.
- Improved cardholder experience and satisfaction due to reduced likelihood of denials when card information is updated automatically for participating merchants.
- Lessens the possibility of late fees and service disruptions with utility companies or other subscriptions with participating merchants.

**Note:** Cardholders are still responsible for following up with merchants in order to ensure they automatically received fully updated card information through the account updater service, or to provide additional and or required information.

## Frequently Asked Questions – Visa Account Updater

Topics include:

- **General Service Information** – Provides basic details including what the service is, how it works, and when it is employed by the merchant
- **Requirements** – Provides an update regarding the requirements of your credit union, including questions regarding communication to cardholders
- **Card Record Maintenance for Opt-Outs** – Gives additional details on maintaining card records for the purpose of opt-out at the cardholder level
- **Account Processor Readiness** – Provides information about how we have engaged account processors in the process of implementing the service
- **Training/Webinar Availability** – Discusses availability of training and materials
- **Scenarios** – Discusses how VAU impacts card issue and reissues
- **Additional Details** – Addresses how merchants obtain the card information, legal responsibilities for the issuer, cardholder information, availability for ATM BINs, chargeback information and more

### General Information

#### **What is Visa Account Updater (VAU) and what does it do?**

VAU is a service that will provide card number and expiration date updates to merchants who maintain card records on their system, typically for recurring customer payments.

This service provides a way for issuers to communicate the most recent and prior card information to Visa. Fiserv has created a special file format to send card details to the network on your behalf. In turn, Visa makes this information available to acquiring card-on-file (COF) merchants who elect to participate in the service.

#### **What is a card-on-file (COF) merchant?**

COF merchants keep customer card numbers on file for recurring payments. Examples include subscription services (such as Netflix) and utility companies.

#### **Is participation in this service mandatory?**

Yes. Visa has required this since October 2016; however, Fiserv was able to secure a waiver for to extend participation for eligible BINs to October 2017.

#### **If this service is mandated as of October 2017, when will Fiserv begin transmitting cardholder information to the network?**

Fiserv is implementing the service on your behalf soon, additional information for the October date will be provided in a future communication.

#### **What are the benefits of this service for my credit union and cardholders?**

Although it remains the cardholder’s responsibility to ensure that any merchants with which they do business have their latest card information, one benefit of this service is that participating merchants will receive this information automatically and electronically, lessening the likelihood of manual entry error. Recurring payments are more likely to be successful because updated card information is readily available to participating merchants.

**In what scenario would the merchant use the updated cardholder information?**

Participating merchants will typically try to obtain updated cardholder information prior to their billing cycle. Merchants who elect to use the Account Updater Service will be able to access updated card information, eliminating the potential for denied transactions due to outdated card-on-file information.

**Fees**

**Are there any one-time or recurring costs to my credit union?**

Your eligible BINs will be enrolled in this service automatically and fees will be tiered based on your end of month card count as follows:

Number of Cards	Monthly Flat Fee Per BIN
5,000 or less	\$20
5,001 to 25,000	\$40
25,001 to 100,000	\$60
100,001	\$80

Separately, Visa will begin charging for this service in October 2018. They have advised that the associated costs will be shared in a Visa Business News (VBN) article at a later date and have not provided the fee structure to Fiserv.

**Requirements**

**Am I required to communicate this service and provide an opt-out to our cardholders?**

Visa does not require you to send a communication to your cardholders. However, we recommend consulting with your compliance team to ensure your credit union is in compliance with applicable state/local laws and regulations pertaining to the gathering/sharing of cardholder information.

Fiserv also recommends that you educate your cardholders and provide the option to opt-out of the service. Whether or not you send a communication is at your discretion.

**Can our credit union choose not to notify cardholders and require all cardholders to participate?**

Whether or not you choose to notify cardholders or your requirements for cardholder participation are at the discretion of your credit union.

## Record Maintenance for Opt Outs

### If we provide cardholders the option to opt-out of the service, how do we maintain card records with this information?

An Automatic Biller Update field has been added to the cardholder Details tab in Client Central CWSi Card Management that will store the cardholders' opt out choice on the record.

<b>- Prior Card Information</b>	
Prior Card Number:	<input type="text"/>
Prior Card Expiration Date:	<input type="text"/>
Prior Member:	<input type="checkbox"/>
Updater Service Opt-Out:	<input type="checkbox"/>

Update on when this field can be used, will be available in the future.

### Can the opt-out section in CWSi be maintained using my MVFE file, RCM file, or Web Services?

Card Services modified MVFE and RCM file specifications to add the new opt-out fields found in CWSi Card Management.

Many account processors will be prepared to support the RCM or MVFE file format changes. Others will not be prepared to support the updates and your alternative will be to maintain cardholder records on CWSi Card Management.

Web Services/Integrated Desktop updates are not supported. However, Fiserv best practice is that all credit unions using Web Services have an RCM file backup. If you support RCM backup with Web Services, your updates should be supported in RCM if your account processor is supporting the fields.

(See Account Processor Readiness section below for additional details.)

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## Account Processor Readiness

### Will my core processor support this service? Do we need to reach out to the account processor?

Fiserv has been in communication with all certified core processors to address questions about the service and provide technical details – such as changes to the MVFE file formats. It is the discretion of the core processor to determine if and when they will support changes we are making for this service.

At this time, Synergent staff is working with Fiserv and Symitar to discuss file format changes. Additional updates will be provided as changes are made to support these services.

### Training and Webinar Availability

A pre-recorded webinar will be available for credit union staff. A job aid has also been created to assist with CWSI and report changes

### Scenarios

#### **What if we order a replacement card? What is the difference between a reissued card and a replacement card?**

A replacement card – which is considered a new plastic for an existing card record – will not be shared with Visa.

For reissued cards – which are card records for which the expiration date rolls before a new plastic is issued – if the card is not opted out, a record will be sent to Visa once the reissued card is received/activated.

#### **What happens when a card expires (same number, extended expiration date)?**

- If the reissue is issued to the cardholder activated (instant issue), and the card is not opted out of the service, an update card record will be sent to the appropriate network.
- If the card is a standard reissue (activation is required) and the card is not opted out of the service, no immediate action is taken. When the reissue card is activated, an updated expiration date will be sent to the appropriate network.

#### **What if a new card is issued due to a lost or stolen card?**

- If the card is not opted out of the VAU, an update will be sent to Visa as follows
  - Message sent to network is that the merchant should contact the cardholder.
- If the replacement card is a standard reissue (activation is required) and the card is not opted out of the service, no immediate action is taken. When the replacement card is activated:
  - If the prior card information is provided in CWSi Card Management, and the card is not opted out of the service, an update will be sent to the appropriate network providing the prior and replacement card information.
  - If the prior card information is not provided and the card is not opted out of the service, the card is considered a new card (not a replacement card) and no record would be sent to Visa.
  - If the prior card information is provided and the card is opted out of the service, no record will be sent.

## Additional Details

### **What BINs are considered eligible? Are proprietary ATM BINs enrolled in this service?**

All Visa consumer and business debit and credit BINs are required to participate. The only exception to this is prepaid BINs.

ATM BINs are not required to participate.

### **If a cardholder asks, how do we know which merchants participate in this service?**

Participation in this service is at each merchant's discretion and the dissemination of information to merchants is at the discretion of the networks. Participant information is not shared with Fiserv.

### **What will happen when a card is reissued and the expiration date rolls in the card record?**

The expiration date for regularly participating cardholders (without an opt-out at the card level) will automatically be sent to the network. No action will be required by the FI, or by the cardholder, and participating merchants will have access to the updated information the next time they request it from Visa. No record will be sent for card that are opted out.

### **What will happen when a card status is changed to lost, stolen, closed, counterfeit, or restricted?**

Updated lost, stolen, and closed card statuses will be sent to the network advising the merchant the card is no longer valid, unless the card has been opted out. Restricted statuses are not sent to the networks. If the card is opted out no message would be sent to the network.

### **What happens when we issue a new Visa debit card?**

If the new card is replacing an old card on an existing account, the Prior Card Number and Prior Card Expiration Date fields should be provided on the new card record by entering into CWSi Card Management.

If this information is not provided on a card record, the card is considered 'new'.

### **When will card information be sent to the network?**

For cards that are not opted out of the service, Fiserv will send notice of card replacements and expiration date changes to the network daily on a midnight to midnight (ET) cycle.

### **If a cardholder is attempting to cancel billing or membership with a merchant, how can we reissue a new card without sending updated card information on Account Updater?**

The preferred method to cancel billing from a single merchant is to use the Visa Prepaid Cancellation Service (PPCS). Using these services would eliminate the need for a new card, and would allow other merchants participating in VAU to continue to receive updated information. We do not recommend that VAU be used as a means to cancel a single payment, as that is not the intended use of the service.

### **Do issuers have any legal responsibilities?**

Issuers should take stringent security precautions with cardholder account data. To protect the privacy of cardholder data, issuers must comply with all applicable state and local laws and regulations

pertaining to collecting, providing, and using cardholder account information in connection with Visa Account Updater.

If a cardholder requests to opt-out of Visa Account Updater, it is your credit union's responsibility to comply with the cardholder's request.

**How will merchants access the card information?**

This is an optional service offered by the networks and merchant acquirers must request to participate in the service through the network before they have access to cardholder details. Once the service has been established, participating merchants will securely send the card information they have on file to the appropriate network. The network will return updated card information that has been provided by issuers.

**How often will merchants update their cardholder information?**

Typically, merchants will obtain updated cardholder information before processing billing. The interval will vary depending on the merchant and could be weekly, monthly, semi-annually, or annually.

**Will reissued cards, replacement cards, or new card (in the instance of a lost/stolen card) be updated in the Visa token vault? Will cardholders have to update card information in the digital wallet (Apple Pay, Samsung Pay, etc.)?**

Visa has indicated that VAU updates will also update their token vault. However, we recommend that cardholders verify correct card information periodically in any digital wallets they use.

If a card is opted-out, the token information will need to be manually updated.